GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:26
ANSWERED ON:24.07.2006
CAPITAL INVESTMENT SUBSIDY SCHEME
Boianapalli Shri Vinod Kumar

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government has recently introduced Capital Investment Subsidy Scheme to encourage Agri-Entrepreneures to invest in infrastructure projects in Agriculture, Dairy, Meat, Fisheries etc.;

(b) if so, the details thereof; and

(c) the names of the States where the scheme is proposed to be implemented?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a): Yes, Sir. Ministry of Agriculture is implementing a Central Sector scheme for `Development/ Strengthening of Agricultural Marketing Infrastructure, Grading and Standardization` in the country with effect from 20.10.2004. The aim of the Scheme is to encourage rapid development of marketing infrastructure in agriculture and allied sectors, to cater to the post harvest requirements of production and marketable surplus of various farm products.

(b): Under this Scheme, credit linked back ended subsidy is provided on the capital cost of general or commodity specific infrastructure for marketing of agricultural commodities including grading, standardization and certification of agricultural produce and for strengthening and modernization of existing agricultural markets. The rate of subsidy is 25% of the capital cost of the project, with a maximum ceiling of Rs. 50 lakh for each project. In case of North Eastern States, hilly and tribal areas and to entrepreneurs belonging to Scheduled Caste/Scheduled Tribes and their cooperatives, the rate of subsidy is, 33.33% of the capital cost of the Project, with maximum ceiling of Rs. 60 lakh for each project. The scheme is reform linked, to be implemented in those States that amend the Agricultural Produce Marketing (Regulation) Act (APMC Act), wherever required, to allow direct marketing, contract farming and to permit setting up of markets in private and cooperative sectors. Individuals, group of farmers, growers/ consumers, partnership/ proprietary firms, Non-Governmental organizations, Self Help Groups, Companies, Corporations, Cooperatives, Cooperative Marketing Federation, Local Bodies, Agriculture Produce Market Committees and Marketing Boards are eligible to receive assistance under the scheme.

(c): This Department has notified the States of Andhra Pradesh, Arunachal Pradesh, Himachal Pradesh, Manipur, Nagaland, Sikkim, Madhya Pradesh, Punjab, Chhatisgarh, Rajasthan, Kerala, Tamil Nadu and Union Territories of Andaman & Nicobar Island, Daman & Diu, Lakshdweep and Dadra & Nagar Haveli for implementing this scheme.